



INTERIM HOUSE APPROPRIATIONS COMMITTEE

Tuesday and Wednesday, October 26-27, 2021
Brynhild Haugland Room, State Capitol
Bismarck, North Dakota

Representative Jeff Delzer, Chairman, called the meeting to order at 9:00 a.m. on Tuesday, October 26, 2021.

Members present: Representatives Jeff Delzer, Bert Anderson, Larry Bellew, Tracy Boe, Mike Brandenburg, Michael Howe, Keith Kempenich, Gary Kreidt, Bob Martinson, Lisa Meier, Alisa Mitskog, Corey Mock, David Monson, Mike Nathe, Jon O. Nelson, Mark Sanford, Mike Schatz, Jim Schmidt, Randy A. Schobinger, Michelle Strinden, Don Vigesaa

Members absent: None

Others present: Representatives Chet Pollert, Carrington; Joshua A. Boschee, Fargo; and Glenn Bosch, Bismarck, members of the Legislative Management
Representative Craig Headland, Montpelier
See [Appendix A](#) for additional persons present.

It was moved by Representative Kreidt, seconded by Representative Howe, and carried on a voice vote that the minutes of the October 19-20, 2021, meeting be approved as distributed.

The committee considered proposals included in a memorandum entitled [Proposals for Consideration by the Interim Appropriations Committees](#).

CONSIDERATION OF BILL DRAFTS

The Legislative Council staff distributed the following bill drafts for committee consideration:

- [21.1104.03000](#) - Relating to appropriations provided from the federal Coronavirus Capital Projects Fund, State Fiscal Recovery Fund, and federal Coronavirus Relief Fund, and to identify Department of Transportation federal funding sources.
- [21.1104.05000](#) - Relating to appropriations provided from the Coronavirus Capital Projects Fund, State Fiscal Recovery Fund, and Coronavirus Relief Fund, and to identify Department of Transportation federal funding sources.
- [21.1130.01000](#) - Relating to funding appropriated to the State Treasurer, Attorney General, and Department of Human Services; a transfer of Bank of North Dakota profits to the University of North Dakota; the authorization of 16 full-time equivalent (FTE) Department of Human Services positions; and Department of Human Services transfer authority.
- [21.1130.02000](#) - Relating to funding appropriated to the State Treasurer, Attorney General, Department of Human Services, Retirement and Investment Office, and Department of Public Instruction; a transfer of Bank of North Dakota profits to the University of North Dakota; the authorization of 16 FTE Department of Human Services positions; Department of Human Services transfer authority; and the authorization of 6 FTE Retirement and Investment Office positions.
- [21.1134.01000](#) - Relating to computer science and cybersecurity instruction and graduation requirements.
- [21.1135.01000](#) - Relating to the authority of the Department of Public Instruction to withhold state school aid for information technology project upgrades to the state automated reporting system and the statewide longitudinal data system.

Bill Drafts 21.1104.03000 and 21.1104.05000

It was moved by Representative Nelson, seconded by Representative Boe, and carried on a roll call vote that Section 7 of bill draft [\[21.1104.03000\]](#) be revised to provide of the \$317 million appropriated from the State Fiscal Recovery Fund to the Department of Transportation, \$50 million be for county bridge projects and \$50 million be for county road projects based on the highway tax distribution fund formula, rather than \$100 million for county bridge projects. Representatives Anderson, Boe, Brandenburg, Howe, Kempenich, Kreidt, Martinson, Meier, Mitskog, Mock, Monson, Nelson, Sanford, and Strinden voted "aye." Representatives Delzer, Bellew, Nathe, Schatz, Schmidt, Schobinger, and Vigesaa voted "nay."

It was moved by Representative Kreidt, seconded by Representative Kempenich, and carried on a roll call vote that bill draft [\[21.1104.03000\]](#), as revised, be approved and recommended to the Legislative Management. Representatives Delzer, Anderson, Bellew, Boe, Brandenburg, Howe, Kempenich, Kreidt, Martinson, Meier, Mitskog, Mock, Monson, Nathe, Nelson, Sanford, Schatz, Schmidt, Schobinger, Strinden, and Vigesaa voted "aye." No negative votes were cast.

It was moved by Representative Mock, seconded by Representative Howe, and carried on a roll call vote that the committee reconsider its actions whereby bill draft [\[21.1104.03000\]](#) was approved and recommended to the Legislative Management. Representatives Delzer, Anderson, Bellew, Boe, Brandenburg, Howe, Kempenich, Kreidt, Martinson, Meier, Mitskog, Mock, Monson, Nathe, Nelson, Sanford, Schatz, Schmidt, Schobinger, Strinden, and Vigesaa voted "aye." No negative votes were cast.

The Legislative Council staff distributed bill draft [\[21.1104.05000\]](#), which includes amendments approved by the committee related to county bridge and road projects.

It was moved by Representative Vigesaa, seconded by Representative Mock, and carried on a roll call vote that bill draft [\[21.1104.05000\]](#) be revised to include \$63,276,228 of funding from the Coronavirus Capital Projects Fund for broadband infrastructure grants. Representatives Delzer, Anderson, Bellew, Boe, Brandenburg, Howe, Kempenich, Kreidt, Martinson, Meier, Mitskog, Mock, Monson, Nathe, Nelson, Sanford, Schatz, Schmidt, Schobinger, Strinden, and Vigesaa voted "aye." No negative votes were cast.

It was moved by Representative Meier, seconded by Representative Mock, and carried on a roll call vote that bill draft [\[21.1104.05000\]](#), as revised, be approved and recommended to the Legislative Management. Representatives Delzer, Anderson, Bellew, Boe, Brandenburg, Howe, Kempenich, Kreidt, Martinson, Meier, Mitskog, Mock, Monson, Nathe, Nelson, Sanford, Schatz, Schmidt, Schobinger, Strinden, and Vigesaa voted "aye." No negative votes were cast.

Bill Drafts 21.1130.01000 and 21.1130.02000

The Legislative Council staff distributed a document ([Appendix B](#)) provided by the Retirement and Investment Office.

It was moved by Representative Kempenich, seconded by Representative Meier, and carried on a roll call vote that bill draft [\[21.1130.01000\]](#) be revised to provide the Retirement and Investment Office authority for six additional FTE positions and to increase the Retirement and Investment Office's special funds appropriation by \$1,806,862 for salaries and wages and operating expenses. Representatives Anderson, Brandenburg, Howe, Kempenich, Kreidt, Martinson, Meier, Mitskog, Mock, Monson, Nathe, Sanford, Schobinger, Strinden, and Vigesaa voted "aye." Representatives Delzer, Bellew, Boe, Nelson, Schatz, and Schmidt voted "nay."

It was moved by Representative Monson, seconded by Representative Kempenich, and carried on a roll call vote that bill draft [\[21.1130.01000\]](#) be revised to appropriate \$10 million from the public instruction fund, derived from reimbursements withheld from school districts' integrated formula payments, to the Department of Public Instruction for the purpose of information technology project upgrades to the state automated reporting system and statewide longitudinal data system and to appropriate \$100,000 from the State Fiscal Recovery Fund to the Department of Public Instruction for information technology upgrade funding in lieu of withholding from school districts not eligible for federal elementary and secondary school emergency relief funding allocations. Representatives Delzer, Anderson, Brandenburg, Howe, Kempenich, Kreidt, Martinson, Meier, Mitskog, Mock, Monson, Nathe, Nelson, Sanford, Schatz, Schmidt, Schobinger, Strinden, and Vigesaa voted "aye." Representatives Bellew and Boe voted "nay."

It was moved by Representative Nelson, seconded by Representative Monson, and carried on a roll call vote that bill draft [\[21.1130.01000\]](#), as revised, be approved and recommended to the Legislative Management. Representatives Delzer, Anderson, Brandenburg, Howe, Kempenich, Kreidt, Martinson, Meier,

Mitskog, Mock, Monson, Nathe, Nelson, Sanford, Schatz, Schmidt, Schobinger, Strinden, and Vigesaa voted "aye." Representatives Bellew and Boe voted "nay."

The Legislative Council staff distributed bill draft [\[21.1130.02000\]](#), which includes amendments approved by the committee related to the Retirement and Investment Office and the Department of Public Instruction.

Bill Draft 21.1134.01000

It was moved by Representative Monson, seconded by Representative Mock, and carried on a roll call vote that bill draft [\[21.1134.01000\]](#) be approved and recommended to the Legislative Management. Representatives Anderson, Brandenburg, Howe, Kempenich, Kreidt, Martinson, Meier, Mitskog, Mock, Monson, Nathe, Nelson, Sanford, Schobinger, and Strinden voted "aye." Representatives Delzer, Bellew, Boe, Schatz, Schmidt, and Vigesaa voted "nay."

Bill Draft 21.1135.01000

It was moved by Representative Kreidt, seconded by Representative Kempenich, and carried on a roll call vote that bill draft [\[21.1135.01000\]](#) be approved and recommended to the Legislative Management. Representatives Delzer, Anderson, Brandenburg, Howe, Kempenich, Kreidt, Martinson, Meier, Mitskog, Mock, Monson, Nathe, Nelson, Sanford, Schatz, Schmidt, Schobinger, Strinden, and Vigesaa voted "aye." Representatives Bellew and Boe voted "nay."

CONSIDERATION OF PROPOSALS TO USE FUNDING FROM THE STATE FISCAL RECOVERY FUND

The committee reviewed proposals to use funding from the State Fiscal Recovery Fund submitted for committee consideration at prior meetings and sorted the proposals in the following categories:

- Infrastructure
- Water projects
- Higher education
- Health and human services
- Agriculture
- Economic development
- Information technology and miscellaneous

Infrastructure Proposals

It was moved by Representative Nathe, seconded by Representative Martinson, and carried on a voice vote that \$150 million of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Industrial Commission for pipeline infrastructure to transport natural gas from western to eastern North Dakota.

It was moved by Representative Brandenburg, seconded by Representative Mitskog, and carried on a voice vote that \$20 million of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Department of Commerce for hydrogen development grants.

It was moved by Representative Martinson, seconded by Representative Kempenich, and carried on a voice vote that \$15 million of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Parks and Recreation Department for deferred maintenance expenditures of state and local parks, of which \$5 million is for local parks and \$10 million is for state parks. Funding provided to local parks is subject to a \$1-to-\$1 matching requirement and may receive maximum funding of \$1.5 million per local park.

Water Projects Proposals

It was moved by Representative Schmidt, seconded by Representative Brandenburg, and carried on a voice vote that \$75 million of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Department of Water Resources for water projects with \$50 million used to replace funding from the resources trust fund for current projects.

Higher Education Proposals

It was moved by Representative Martinson, seconded by Representative Meier, and carried on a voice vote that \$100,579,121 of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the State Board of Higher Education, of which:

- \$50 million is for Merrifield Hall at the University of North Dakota;
- \$10 million is to establish a Center for Space Education and Research at the University of North Dakota;
- \$2,104,121 is for equipment and personnel to use hyperbaric oxygen therapy at the University of North Dakota School of Medicine and Health Sciences;
- \$38 million is for a polytechnic building at Bismarck State College; and
- \$475,000 is for the Dakota Digital Academy.

Health and Human Services Proposals

It was moved by Representative Nelson, seconded by Representative Howe, and carried on a voice vote that \$55 million of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Department of Human Services and Department of Commerce, of which:

- \$20 million is for long-term care programs to be appropriated to the Department of Human Services;
- \$15 million is for child care programs to be appropriated to the Department of Human Services;
- \$5 million is for Medicaid eligibility system upgrades to be appropriated to the Department of Human Services;
- \$4 million is for community behavioral health programs to be appropriated to the Department of Human Services;
- \$3 million is for the substance use disorder treatment voucher program to be appropriated to the Department of Human Services;
- \$2.5 million is for providing retention bonuses for direct service professionals serving clients with intellectual or developmental disabilities to be appropriated to the Department of Human Services;
- \$4.5 million is for other discretionary Department of Human Services programs; and
- \$1 million is for a new hospital facility in Rugby to be appropriated to the Department of Commerce.

Agriculture Proposals

It was moved by Representative Brandenburg, seconded by Representative Kempenich, and carried on a roll call vote that \$21 million of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Bank of North Dakota for a fuel production facility grant program. Representatives Delzer, Anderson, Brandenburg, Howe, Kempenich, Kreidt, Martinson, Mitskog, Mock, Nelson, Sanford, Strinden, and Vigesaa voted "aye." Representatives Bellew, Boe, Meier, Monson, Nathe, Schatz, Schmidt, and Schobinger voted "nay."

It was moved by Representative Kempenich, seconded by Representative Howe, and carried on a roll call vote that \$10 million of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Department of Commerce for the Grand Farm Initiative. Representatives Anderson, Boe, Brandenburg, Howe, Kempenich, Kreidt, Martinson, Meier, Mitskog, Mock, Monson, Nathe, Nelson, Sanford, Schmidt, Schobinger, Strinden, and Vigesaa voted "aye." Representatives Delzer, Bellew, and Schatz voted "nay."

It was moved by Representative Kempenich, seconded by Representative Howe, and carried on a voice vote that \$401,000 of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Information Technology Department for a North Dakota Stockmen's Association project to convert a paper-based inspection program to an electronic system.

It was moved by Representative Kempenich, seconded by Representative Brandenburg, and failed on a roll call vote that \$3 million of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Agriculture Commissioner for the meat processor grant program. Representatives

Anderson, Boe, Brandenburg, Howe, Kempenich, Martinson, and Mitskog voted "aye." Representatives Delzer, Bellew, Kreidt, Meier, Mock, Monson, Nathe, Nelson, Sanford, Schatz, Schmidt, Schobinger, Strinden, and Vigessaa voted "nay."

Economic Development Proposals

It was moved by Representative Howe, seconded by Representative Brandenburg, and carried on a voice vote that \$15 million of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Department of Commerce, of which \$10 million is for a local workforce development incentive grant program and up to \$5 million is for a technical skills training grant program. The Department of Commerce is authorized to use funding allocated for the technical skills training grant program for other workforce development-related programs submitted in proposals for the committee's consideration.

It was moved by Representative Nathe, seconded by Representative Martinson, and carried on a voice vote that \$10 million of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Department of Commerce for the Innovation Technology Loan Fund.

Information Technology and Miscellaneous Proposals

It was moved by Representative Brandenburg, seconded by Representative Meier, and carried on a voice vote that \$950,000 of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the State Historical Society for essential infrastructure at historic sites.

It was moved by Representative Vigessaa, seconded by Representative Mock, and carried on a voice vote that \$4,669,384 of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Information Technology Department, of which \$2,612,000 is for the Highway Patrol and \$2,057,384 is for the Department of Corrections and Rehabilitation, for radios compatible with the statewide interoperable radio network.

It was moved by Representative Kempenich, seconded by Representative Meier, and carried on a voice vote that \$3,095,000 of funding from the State Fiscal Recovery Fund be included in a bill draft, of which:

- \$75,000 is to establish a missing persons database to be appropriated to the Attorney General;
- \$1 million is to replace the Attorney General's prosecuting case management system; and
- \$2.02 million is to replace the Supreme Court docket system, to be appropriated to the judicial branch.

It was moved by Representative Kempenich, seconded by Representative Strinden, and carried on a voice vote that \$17 million of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Office of Management and Budget, of which \$10 million is for critical maintenance projects and \$7 million is for heating, ventilation, and air conditioning improvements in the legislative chambers and Brynhild Haugland Room.

It was moved by Representative Kempenich, seconded by Representative Meier, and carried on a voice vote that \$1.5 million of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Department of Human Services for the North Dakota Pregnancy Resource Network.

It was moved by Representative Vigessaa, seconded by Representative Brandenburg, and carried on a voice vote that \$450,000 of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Adjutant General for the replacement of state active-duty software.

It was moved by Representative Brandenburg, seconded by Representative Kempenich, and carried on a voice vote that \$500,000 of funding from the State Fiscal Recovery Fund be included in a bill draft to be appropriated to the Department of Veterans' Affairs for a Fisher House at the Fargo Veterans' Affairs Medical Center.

Committee Discussion

The Legislative Council staff distributed a memorandum entitled [Interim House Appropriations Committee - Recommendations](#), which provides a summary of the proposals approved by the committee.

The committee discussed the following items, appropriated from the State Fiscal Recovery Fund, be added to the list:

- \$4.8 million to the Department of Corrections and Rehabilitation for stipends to county jails for costs to house inmates sentenced to the department but deferred admission due to the pandemic;
- \$2,995,200 to the Department of Corrections and Rehabilitation for the free through recovery program; and
- \$15 million to the State Department of Health for the a public health laboratory renovation project.

It was moved by Representative Kreidt, seconded by Representative Brandenburg, and carried on a roll call vote that the committee approve the proposals included on the memorandum using funding from the State Fiscal Recovery Fund. Representatives Delzer, Anderson, Bellew, Boe, Brandenburg, Howe, Kempenich, Kreidt, Martinson, Meier, Mitskog, Mock, Monson, Nathe, Nelson, Sanford, Schatz, Schmidt, Schobinger, Strinden, and Vigesaa voted "aye." No negative votes were cast.

The Legislative Council staff distributed a memorandum entitled [Comparison of Proposals Approved by the Interim Senate and House Appropriations Committees](#), which provides a comparison of proposals approved by the Interim Senate Appropriations Committee and Interim House Appropriations Committee.

No further business appearing, Chairman Delzer adjourned the meeting at 2:39 p.m. on Wednesday, October 27, 2021.

Sheila M. Sandness
Senior Fiscal Analyst

Adam Mathiak
Senior Fiscal Analyst

Levi Kinnischtzke
Senior Fiscal Analyst

ATTACH:2